

FHA INFO #20-24

April 1, 2020



**TO: All FHA-Approved Mortgagees and Servicers;
All Other Interested Stakeholders in FHA Transactions**

NEWS AND UPDATES

CARES Act Provides Additional Loss Mitigation Options for FHA-Insured Homeowners

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter \(ML\) 2020-06](#), *FHA's Loss Mitigation Options for Single Family Borrowers Affected by the Presidentially-Declared COVID-19 National Emergency in Accordance with the CARES Act*. This ML implements the mortgage forbearance provisions provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act that President Trump signed into law on March 27, 2020. Read today's [Press Release](#).

The loss mitigation options for borrowers experiencing a financial hardship negatively impacting their ability to make on-time mortgage payments due to the COVID-19 national emergency include:

- Availability of up to six-months of mortgage payment forbearance for affected borrowers and an additional six-month period, if needed.
- New COVID-19 national emergency stand-alone partial claim for eligible borrowers.
- Extends certain due and payable, foreclosure, and claim timeframes for Home Equity Conversion Mortgages (HECM) affected by the COVID-19 national emergency.

Today's Mortgagee Letter also informs servicers of the use of the new COVID-19 loss mitigation tools for borrowers impacted by the national emergency in place of the guidance on Presidentially-Declared Major Disaster Areas in FHA's [Single Family Housing Policy Handbook 4000.1](#).

This guidance applies to all FHA Title II Single Family mortgage programs. Mortgagees are strongly encouraged to read [ML 2020-06](#) in its entirety.

In addition to the COVID-19-related loss mitigation options announced in today's ML, FHA will continue to review its policies in its efforts to provide servicers with the tools needed to assist homeowners with FHA-insured mortgages with even more flexibilities/relief efforts during this national emergency.

Information for Mortgagees and Borrowers

The [FHA Single Family COVID-19 Q&A](#) for mortgagees and other interested parties in FHA has been updated and is available on the [Single Family main page](#) on hud.gov.

FHA has launched a new consumer-oriented Q&A to help homeowners better understand what loss mitigation options are available to them during this national emergency. It is available on the [Loss Mitigation Services for FHA Homeowners](#) page on hud.gov.

Industry Webinar

FHA's Office of Single Family Housing plans to develop a webinar that focuses on the COVID-19-related loss mitigation options available to assist borrowers since the CARES Act became effective. Details about the upcoming webinar will be communicated at a future date.

Quick Links (You should use a different web browser if you encounter issues opening documents in Internet Explorer)

- View Mortgagee Letter 2020-06 and all other archived Mortgagee Letters at:
https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee
- Access the HUD Press Room at: <https://www.hud.gov/press>
- Access the *Single Family Housing Policy Handbook* 4000.1 in online or portable document format from HUD's Client Information Policy Systems (HUDCLIPS) Handbooks web page at:
https://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh
- View the FHA COVID-19 Q&A on the Single Family main page on hud.gov at:
https://www.hud.gov/program_offices/housing/sfh
- Access the Loss Mitigation Services for FHA Homeowners consumer page on hud.gov at:
https://www.hud.gov/program_offices/housing/sfh/nsc/lossmit

Resources

Contact the FHA Resource Center:

- Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at:
www.hud.gov/answers.
- E-mail the FHA Resource Center at: answers@hud.gov. Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
- Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

FHA INFO Archives:	Visit the FHA INFO Archives to access FHA INFO messages issued from 2012 to the present.	
Subscribe/Unsubscribe Instructions:	To subscribe to the Single Family FHA INFO mailing list you can use this link: FHA INFO or send a request by email to: answers@hud.gov Bulk subscriptions: To sign up your entire office or a large group, send the list of email addresses (in the format below) to: answers@hud.gov aaa@xyz.com bbb@xyz.com ccc@xyz.com To Unsubscribe follow the unsubscribe instructions on that page.	
Resource Links:	FHA Archived Webinars Career Opportunities Contracting Opportunities Events & Training	Foreclosure Assistance Grant Opportunities HUD Homes - Property Listings HUD.gov

[FHA Forms](#)

[FHA Homeownership Centers](#)

[FHA Mortgagee Letters](#)

[Making Home Affordable](#)

[Presidentially-Declared Major Disaster Areas](#)

[Visit our Single Family Home Page](#)



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